## Fiscal Estimate - 2007 Session

☑ Original ☐ Updated	Corrected Supp	olemental				
LRB Number <b>07-2783/3</b>	Introduction Number AB-07	<b>'</b> 41				
Description Relating to: cleanup and consolidation of Depart establishing a comprehensive annual reporting goals and accountability measures for economic rule-making authority, and making an appropriate	requirement, requiring the development of progo c development grants and loans, requiring the	grammatic				
Fiscal Effect  State:  ☑ No State Fiscal Effect ☐ Indeterminate ☐ Increase Existing ☐ Incre	ease Existing	ba nagajbla				
Decrease Existing Decrease Existing Appropriations Reve	Increase Costs - May to absorb within agen enues  Yes  Decrease Costs	cy's budget				
Local:  No Local Government Costs Indeterminate  1. Increase Costs Permissive Mandatory 2. Decrease Costs Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Districts Districts						
Fund Sources Affected  GPR FED PRO PRS	Affected Ch. 20 Appropria	tions				
Agency/Prepared By	Authorized Signature	Date				
DOR/ Michael Oakleaf (608) 261-5173	Rebecca Boldt (608) 266-6785 2/12					

## Fiscal Estimate Narratives DOR 2/12/2008

LRB Number	07-2783/3	Introduction Number	AB-0741	Estimate Type	Original

## Description

Relating to: cleanup and consolidation of Department of Commerce economic development programs, establishing a comprehensive annual reporting requirement, requiring the development of programmatic goals and accountability measures for economic development grants and loans, requiring the exercise of rule-making authority, and making an appropriation.

## **Assumptions Used in Arriving at Fiscal Estimate**

Pursuant to the recommendations of the Legislative Audit Bureau in Report 06–9, "A Review of State Economic Development Programs," this bill makes a number of changes to the state's economic development programs. The bill imposes several new requirements on the Departments of Commerce, Agriculture, Trade and Consumer Protection, Natural Resources, Tourism and Transportation as well as the University of Wisconsin System, WHEDA and the Technical College System related to their economic development activities. In particular, the bill does the following: 1)defines "economic development programs"; 2)eliminates unfunded or inactive development programs; 3)requires Commerce and the other named state entities to annually submit to the legislature a comprehensive report detailing their economic development activities; 4) requires Commerce and the other named state entities to establish specific goals and quantifiable benchmarks for each of the economic development programs administered by the entity; 5) requires Commerce and the other state entities to promulgate administrative rules governing an economic development grant or loan; and 6) requires the Legislative Audit Bureau to prepare a financial and program evaluation audit of state economic development programs by July 1, 2012.

The bill makes no change to the tax credits provided under the economic development programs. Thus it would have no fiscal effect.

**Long-Range Fiscal Implications**